

WILLIAM M. TURNER

IBLA 80-829

Decided April 15, 1981

Appeal from a decision of the Utah State Office, Bureau of Land Management, rejecting noncompetitive oil and gas lease offer U 45052.

Affirmed.

1. Oil and Gas Leases: Applications: Generally--Oil and Gas Leases: Known Geological Structure--Oil and Gas Leases: Noncompetitive Leases

Lands within a known geologic structure of a producing oil or gas field may be leased only after competitive bidding under the provisions of 43 CFR Part 3120, and a noncompetitive oil and gas lease offer filed for such lands is properly rejected where during the pendency thereof the land is determined to be within the known geologic structure of a producing oil or gas field.

APPEARANCES: William M. Turner, pro se.

OPINION BY ADMINISTRATIVE JUDGE LEWIS

William M. Turner has appealed from a decision of the Utah State Office, Bureau of Land Management (BLM), dated June 30, 1980, rejecting his noncompetitive oil and gas lease offer U 45052.

This record shows that appellant's offer to lease was drawn with first priority for parcel UT-80 in the Utah simultaneous oil and gas lease drawing for December 1979. Subsequently, by memorandum of June 18, 1980, the Geological Survey (Survey) informed BLM that, based on gas development, the lands within this lease offer are within the San Arroyo Known Geologic Structure, effective April 1, 1980. Accordingly, BLM issued its decision rejecting the offer because lands within a known geologic structure (KGS) of a producing oil and gas field shall be leased only by competitive bidding to the highest qualified bidder in accordance with 43 CFR 3101.1-1(a).

In his statement of reasons appellant argues, inter alia, that he was a qualified offeror who has met the regulatory requirements for this tract and the lease should have issued before the KGS determination was made and would have issued if not for the undue delay caused by the Secretary's suspension of the noncompetitive oil and gas leasing program in February of 1980.

[1] As the State Office correctly indicated, the lands in question were reported and posted by Survey as being within a KGS, and therefore could be leased only by competitive bidding. 30 U.S.C. § 226(b) (1970); 43 CFR 3101.1-1. A noncompetitive offer to lease certain lands for oil and gas must be rejected where either before or after the filing of the offer and prior to the issuance of the lease the land is determined to be within the known geologic structure of a producing oil or gas field. Richard J. DiMarco, 53 IBLA 130 (1981); Pauline C. Lesback, 50 IBLA 361 (1980); Curtis Wheeler, 31 IBLA 221 (1977); Geral Beveridge, 14 IBLA 351, 81 I.D. 80 (1974).

Even though appellant may have been a qualified offeror and his lease offer was clearly affected by the Secretary's temporary suspension order, once the KGS determination was made, appellant's offer could not have been processed otherwise. Appellant's arguments are without merit because the drawing of an offer for a noncompetitive oil and gas lease creates no vested rights in the offeror. Pauline Lesback, supra; Guy W. Franson, 30 IBLA 123 (1977).

Appellant has not challenged Survey's determination on the merits of the existence of a KGS but has challenged merely the rejection resulting therefrom, and, therefore, has provided no evidence to indicate that the KGS determination is incorrect. That uncontested determination is dispositive of this appeal.

Accordingly, pursuant to the authority delegated to the Board of Land Appeals by the Secretary of the Interior, 43 CFR 4.1, the decision appealed from is affirmed.

Anne Poindexter Lewis
Administrative Judge

We concur:

Douglas E. Henriques
Administrative Judge

Bruce R. Harris
Administrative Judge

